

AFFIDAVIT

STATE OF FLORIDA
COUNTY OF PINELLAS

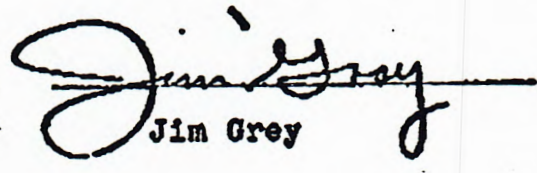
Jim Grey, having first been duly sworn, hereby deposes and says:

1. I am a resident of Clearwater, Florida.
 2. On October 2, 1981, I received a visit at my office from Jay Keyes, Michael Flynn, and two other people. Beverly Hyde, my secretary was in the room during the visit, and witnessed it.
 3. Jay Keyes made the introductions and told me that because I was courageous and outspoken and had once publically said that "the place to handle Scientology is in the courts", he thought I would be interested in what Michael Flynn and his associates had to propose.
 4. Michael Flynn then offered me the position of Trustee of Flynn Associate Management Corporation (FAMCO) in the Clearwater area and told me that as a Trustee, I would receive, raise and disburse monies which would be used to file suits against the Church of Scientology around the country and therefore break the Church financially.
 5. I told Michael Flynn that I would most surely be asking to be sued if I accepted that, to which the latter said that it was likely that I was correct, but then that is what the money was for.
 6. Michael Flynn and one of the other gentlemen said that they would have to disassociate themselves from Richard Tenney publically as it would hurt them to be connected with him.
 7. Although there were no outright statements made to me to the effect that I would make any money out of this, it was however, distinctly clear to me that Michael Flynn and others were soliciting money for their suits.
 8. When I pointed to Mr. Flynn and his associates that I had no desire to be a guinea pig for his lawsuits and take part in an operation which, in my judgment, could be
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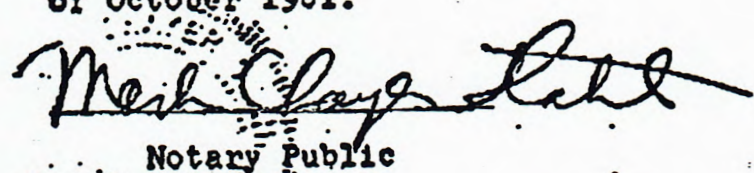
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in violation of Constitutional rights, Mr. Flynn became agitated, whereupon he asked me how I would like it if my daughter got mixed up with Scientology and shot herself in the head. I asked Michael Flynn, if my daughter had gone into the Baptist Church and shot herself, did that mean that the Baptist Church was responsible, and Michael Flynn walked out in disgust.

The above is a true and correct statement to the best of my recollection.


Jim Grey

Subscribed and sworn to
before me this 13th day
of October 1981.


Notary Public

Notary Public, State of Florida at Large
My Commission Expires April 2, 1984
Bonded Third Party Fidelity Insurance Co.

I related to Mr. Flynn and his associates that I had no desire to be a witness in his lawsuits and take part in an operation which, in my judgment, would be